

MINUTES

NATURAL RESOURCES COMMISSION

SEPTEMBER 7, 2006

**LAKETOWN GOLF AND CONFERENCE CENTER
6069 BLUE STAR HIGHWAY
SAUGATUCK**

PRESENT FOR THE COMMISSION

Keith Charters, Chair
Bob Garner, Vice-Chair
Mary Brown
Darnell Earley
John Madigan
Frank Wheatlake

ABSENT FOR THE COMMISSION

Jerry Hall

PRESENT FOR STAFF

Becky Humphries, Director
Dennis Fedewa, Chief Deputy
Mindy Koch, Resource Management Deputy
Jim Ekdahl, UP Field Deputy
Other DNR Staff

COMMITTEE OF THE WHOLE

Chairman Charters called the Committee of the Whole meeting of the NRC to order at 3:09 p.m.

Director/Staff Reports

Introductions

Director Humphries introduced **Nancy Leonard** who will be interning with the Director working on various issues including DNR Policy. Ms. Leonard is a Ph.D. Student at Michigan State University. Division staff present were introduced.

Right-to-Forest Act, Generally Accepted Forest Management Practices

Lynne Boyd, Chief, Forest, Mineral and Fire Management Division (FMFM), reported that the Generally Accepted Forest Management Practices were on the Agenda "For Information Only" and will be on a future Agenda for NRC Action. The Michigan Right to Forest Act provides certain protections from nuisance lawsuits related to forestry operations. Specifically, the Act provides that a forestry operation shall not be found to

be a public or private nuisance if it conforms to Generally Accepted Forest Management Practices (GAFMPs). The GAFMPs, as defined in the Act, are those practices that are accepted and approved by the NRC. Currently, there are not NRC approved GAFMPs.

The proposed GAFMPs were developed by the Forest Management Advisory Committee (FMAC) which is a 19-member public body that was created by DNR Director, Rebecca Humphries in 2005 to assist the DNR in balancing the environmental, social and economic issues surrounding forest management. The FMAC has representatives from a wide range of forest interests including timber, university, environmental, and affected state and federal agencies. With the diverse membership, including stakeholders specifically stated in the Act, the FMAC's first priority was the development of the GAFMPs to provide to the Commission for its review and approval. The GAFMPs are organized around the four areas stated in Section 4a of the Act: 1) visual change; 2) noise; 3) removal of vegetation; 4) use of chemicals.

Ms. Boyd noted that the GAFMPs are neither regulatory nor required which also means there is no enforcement mechanism.

The FMAC was commended for their efforts in developing the GAFMPs.

Hemlock Woolly Adelgid (HWD)

Bill Oniell, FMFM, reported that HWD were recently discovered on hemlock trees in Harbor Springs, Michigan. The HWD is less than 1/16th inch long and varies from dark reddish-brown to purplish-black in color. Except for the newly hatched nymphs, it has a covering of wool-like wax filaments that it produces to protect itself and its eggs from desiccation and natural enemies. The HWDs are a sap feeding insect and are native to Asia. They can kill or weaken hemlock trees. They have been detected in Michigan twice in 20 years, however, this is the first time they have spread from host trees. Hemlock trees are a unique species and are important in Michigan's forest system. In cooperation with other agencies and organizations, the Michigan Department of Agriculture is leading the effort to address this issue. Approximately 30 trees will be removed and others will be treated with pesticides or oils to eradicate the insects.

Off-Road Vehicle (ORV) Plan Status

Jim Radabaugh, State Trails Coordinator, reported on the status of the Department's 1979 ORV Plan. The draft plan was initiated in March 2004 completed by Michigan State University and submitted to the Department in November 2005. The Forest, Mineral and Fire Management Division (FMFM), Recreation and Trails program staff and the FMFM Management Team have reviewed the draft plan recommendations, gathered through public input, and provided response comments for each of the recommendations to the Department Management Team in late August 2006 for their final review and comment.

It is intended to bring the plan and Department response to the NRC December 2006 meeting for information to initiate a public comment period. The Commissioners may hear from the ORV community on the need for additional riding opportunities, particularly in the southern Lower Peninsula. This will be on the January 2007 NRC agenda for Director's Action.

Metallic Mineral Lease Document – FOR INFORMATION ONLY

Lynne Boyd reviewed the final proposed changes to the Metallic Minerals Lease Document as included on the Agenda for Director's action. **Chairman Charters** questioned why the option for the DNR to reclassify a lease prior to the start of operation was added and expressed concern with this option. **Ms. Boyd** said this was an issue that the environmental groups felt strongly about and this was a compromise. She said that this option will not be used lightly. **Charters** believes that, in oil and gas, drilling can be done from another location – not the same for minerals. He expressed concern that this would send a message that "Michigan does not want jobs." Ms. Boyd said that she will take his comments to the review group and possibly alter this language to state that the change can be made prior to exploration. **Commission Wheatlake** echoed Chairman Charters' comments.

Director Humphries said the key is to lease everything we can. However, where is the more intensive environmental review needed. Included in the document should be a clear definition so there is good understanding and an appropriate level of review to provide the appropriate environmental protection without putting undue hardship on those who wish to lease. The lease document will be reviewed and some of these concerns addressed through clearer definitions, etc.

Commissioner Madigan questioned what happens if the work is not completed within the 10 year lease. **Ms. Boyd** responded that the leaser has the opportunity to renew, but not the right to renew. The DNR has not denied the ability to extend the lease when the activity occurring. However, a trigger does need to exist to terminate the lease for non-production. Discussion ensued relative to the level of production. **Charters** expressed concern with the controls put in place for minimal production and said that would be addressed again.

Ms. Boyd continued to review changes to the Minerals Lease Document. The old lease has been used until recently. No new leases have been issued in over two years, however, pending approval of the new Lease. The Attorney General has reviewed the document.

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Senator Patty Birkholz welcomed the NRC and DNR to the area.

National Hunting and Fishing Days

Director Humphries said that National Hunting and Fishing Days are September 23 and 24. A number of activities and events will take place throughout Michigan.

Youth/Apprentice Hunting Licenses

Alan Marble reported that hunters will have a unique opportunity this fall to participate in the traditions of hunting, under closely supervised conditions, without meeting the hunter safety education requirement. Additionally, Legislation recently passed lowering the minimum age requirements to 10 years of age for most forms of hunting.

Hunter education instructors have reported an average increase of 25-30 percent above last year's student and class numbers and are planning additional classes for late fall and early spring.

Concerns have been expressed by instructors about the perception that the apprentice license option undermines the value of hunter safety education. Apprentice licenses also offer adults who are interested in hunting but have not attended safety training the opportunity to hunt. Law Enforcement Division is reviewing the potential need for classes aimed at adults to facilitate the transition from apprentice licenses to "regular" licensed hunting that requires hunter safety education.

Director's Action Items

Commissioner Garner gave kudos to staff for the many land transactions on the agenda that will make the outdoors more accessible to the citizens of Michigan as well as open up public access.

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The Committee of the Whole meeting adjourned at 4:20 p.m.

The Public Appearances portion of the meeting convened at 4:40 p.m.

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PUBLIC APPEARANCES

Senator Patty Birkholz
Rex Copenhagen, Schoolcraft Area
Laura DeJune, Battle Creek
Chuck DeLeeuw
Paul Eberhart, Coldwater River Watershed Council
Cindy Evans, Battle Creek
Dennis Fijalkowski, Michigan Wildlife Conservancy
Val Grimes, Berrien County Animal Control
Larry Holcomb, Quality Deer Management Association
Chris Lossie, Paw Paw
Denise Massey, Michigan Citizens for Cougar Recognition
Ellen Nitz, Citizens for a Quiet Community
Nancy Polezoes, South Haven
Bud Prine, Brighton Township Supervisor
Dave Smith, President, West Michigan Trout Unlimited
Thomas Waters, Long Lake Property Owner, Grand Traverse County
Jenness Wiegand, Citizens for a Quiet Community

Senator Patty Birkholz welcomed everyone to her home territory and to west Michigan. She also thanked the NRC and DNR for the oversight and review of the natural resources issues in the area.

Denise Massey, Michigan Citizens for Cougar Recognition, provided a packet of information containing letters to DNR on cougar reports, signing logs and photos. Ms. Massey claims that the Endangered Species Act is being violated and that the DNR has failed to manage cougars.

Larry Holcomb, representing Quality Deer Management Association, Michigan Chapter State, commented on three issues:

- 1) Doe Management: QDMA objects to the recently adopted limit of three private land antlerless tags per hunter. They would be supportive of an “earn-a-buck” program in the southern Lower Peninsula and believe early antlerless seasons, one beginning on September 1, have merit in deer management units over their deer population goals;
- 2) Buck Management: QDMA believes there are benefits to deer that result from a herd that has a more balanced and natural age structure than what currently exists in Michigan. QDMA recommends that Michigan move in the direction of taking specific steps to encourage improved buck age structure beyond our current regulations. He noted that this will require leadership, because some hunters will oppose any method employed to protect the proportion of yearling bucks from hunting mortality;
- 3) License Fees: QDMA is supportive in reasonable increases in license fees. He suggested that if the license fee had kept pace with the general inflation, the price currently would be \$30.00. They suggested one method to be considered would be to require a separate license for the muzzleloader season, or for the late archery season.

Chairman Charters noted that the Hunting and Fishing License Program Development Work Group was established (Chaired by Commissioner Wheatlake) to review license fees. He recommended that QDMA contact Legislators and indicate they approve of license fee increases. **Commissioner Earley** noted that what is needed is a long-term solution to the Game and Fish Fund shortfalls. Otherwise, the DNR will have to operate with less employees.

Dave Smith, President, West Michigan Trout Unlimited, commented on the July 28, 2006 fish kill in Tyler Creek. He said there needs to be more cross-departmental cooperating and planning to avoid this occurring again. The West Michigan Trout Unlimited pledged \$5,000 to aid in restoring the fish in Tyler Creek and is working to enlist support from other organizations in the process. Following are his recommendations:

1. The State should establish funding for river rehabilitation in response to events like this or similar events such as the washout of a dam;
2. Best Management Practices for the handling and spreading of liquid manure need to be improved;
3. Greater incentives for using buffer strips and filter strips are needed for farmers.

Dennis Fijalkowski, Michigan Wildlife Conservancy, believes there is an abundant and breeding population presence of cougars in Michigan and would like to see the cougars managed as such. **Commissioner Garner** said that staff will discuss this issue during the October 2006 NRC Policy Committee on Wildlife and Fisheries.

Bud Prine, Brighton Township Supervisor, read a “Resolution to Support Efforts of its Citizens, Livingston County Board of Commissioners, and Kensington Metropolitan Park to Reduce Gun Shot noise from Island Lake Shooting Range.” The Resolution resolves that the Charter Township of Brighton would like to encourage peace and tranquility for its citizens and park visitors and suggested that if the noise issues cannot be resolved, the DNR should close the Shooting Range until they can.

Chuck DeLeeuw who is from the Saugatuck area, welcomed the NRC and staff to the area.

Paul Eberhart, Coldwater River Watershed Council, said that the Tyler Creek is a major tributary and echoed comments made by David Smith earlier.

Rex Copenhagen, Schoolcraft Area, believes that strong measures need to be taken to save Michigan's great heritage. He believes corrective actions need to be taken on the priority order of deer management and that Michigan is long overdue for an earn-a-buck program.

Thomas Waters, property owner on Long Lake, Grand Traverse County, requested that the impending musky release into Long Lake be delayed. The Long Lake Association and the Long Lake Peninsula Association oppose the release and request that a new fish study be done as well as a public hearing held prior to the release. He suggested that, if fish are to be released into Long Lake, that smaller numbers of muskies be related over a longer period than the three years being recommended; Fisheries Division should be required to conduct regular fish studies after each release; and, if Fisheries Division is going to attempt to create a “trophy musky population”, the consequences of bringing large numbers of additional boats onto the lake from different areas should be evaluated. The riparian owners on the lake are concerned with the potential of non-indigenous species into the lake. Discussion ensued.

Chris Lossie, Paw Paw, questioned why a crossbow cannot be utilized during small game season. He also asked if there was going to be anything done about the grouse population in southwest Michigan as he has not seen a grouse in quite some time. **Chairman Charters** said that Commissioner Hall was set to review and address the crossbow issue but became ill. The issue will be addressed in 2007.

Jenness Wiegand, Citizens for a Quiet Community, began voicing concern with the noise from the Island Lake Shooting Range in 2003. She emphasized that the noise levels have not diminished and asked that something be done to do so.

Ellen Nitz, Citizens for a Quiet Community, expressed concern that the noise levels from the Island Lake Shooting Range negatively affects Kensington Park and other surrounding areas.

Nancy Polezoes, South Haven, spotted a cougar on her property in 2003.

Laura DeJune, Battle Creek, has had several cougar sightings in her subdivision for approximately two years. She believes that a cougar management program should be put in place and that the presence of cougars needs to be addressed.

Cindy Evans, Battle Creek, has had many cougar sightings since May 3 of this year. **Commissioner Garner** asked what she wants done. She responded that the cougars either be relocated or that she is given the ability to do away with the animals.

Val Grimes, Berrien County Animal Control, requested that the presence of cougars be considered a problem. She brought records of cougar sightings in Berrien County and surrounding counties. She recommended that issues such as whose jurisdiction will it be to address cougars; who will pay the bill for damage caused by cougars; what protections will be set; and safety.

The Public Appearances portion of the meeting adjourned at 6:12 p.m. and the Regular Meeting of the NRC immediately convened.

CLOSED MEETING

The NRC went into a Closed Meeting to discuss a personnel matter at 6:18 p.m. and adjourned the Closed Meeting at 6:32 p.m.

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The Regular Meeting of the NRC reconvened at 6:35 p.m.

APPROVAL OF MINUTES – AUGUST 10, 2006 NATURAL RESOURCES COMMISSION MEETING

Commissioner Earley made a motion, supported by Commissioner Wheatlake, for approval. Motion unanimously carried.

DIRECTOR'S ACTION ITEMS

Director Humphries intends to approve all Director's Action items on the Agenda.

2007 MEETING SCHEDULE

At the August 10, 2006 NRC Meeting, the NRC approved the dates for the 2007 NRC meetings. Following are the general locations that were agreed to at this meeting:

January 11	Lansing
February 8	Lansing
March 8	Saginaw Area
April 12	Lansing
May 10	Down River Detroit Area
June 7	Crystal Mountain, Thompsonville
July 12	Lansing
August 16	Escanaba
September 13	Lansing
October 11	Lansing
November 8	Lansing Area
December 6	Lansing

COMMISSIONER REPORTS

Commissioner Wheatlake met with legislators relative to DNR issues.

Commissioner Garner will soon attend the Sturgeon For Tomorrow annual event and commended them for managing the Black River sturgeon and for their fund raising process. He suggested that other groups should utilize this successful strategy. He also noted that he has been bear baiting for the last several weeks.

Commissioner Earley addressed the District 10 Michigan United Conservation Clubs in Saginaw.

Commissioner Madigan appreciated meeting with Fisheries Division staff in Sault Ste. Marie; and stated that the fishing is good.

The meeting adjourned at 6:49 p.m.

NRC Policy Committee on Finance and Administration

September 7, 2006

**Laketown Golf and Conference Center
Saugatuck**

Chairman Wheatlake brought the meeting to order at 11:00 a.m. Commissioners Wheatlake and Earley were present for the Committee. Commissioners Brown, Charters and Madigan were also present.

FY 07 Budget Summary

Dennis Fedewa, Chief Deputy, summarized the FY 2006-2007 Legislative appropriations relative to the DNR programs. General Fund appropriations have been reduced by \$323,600 from the previous fiscal year and the total appropriation was increased by \$15,370,100. The increases include economic increases and are primarily restricted funds. Items not included in the final Appropriations Bill that were vetoed were: Petoskey Breakwall, Kalamazoo River dam repair, Chappel Dam maintenance, and Cascades Park.

Mr. Fedewa noted that the 2008 budget process planning has begun. The elimination of the single business tax has created a delay in the process due to not knowing how that will affect the 2008 budget.

Capital Outlay Overview

Kristen Morningstar, Budget and Support Services, reviewed the DNR's 2006 Open Capital Outlay projects and reviewed those slated to be closed at the end of the year. She noted that the list consists of approximately \$335 million in total for all projects.

Interim Revenue Reports on Forest Development, Park Improvement and Waterways

Forest Development Fund Revenues

Lynne Boyd, Chief, Forest, Mineral and Fire Management Division, reported that in 2004, timber sales were \$30 million; in 2005, \$35 million. Revenues are generated from a 10 percent down-payment on sales. Higher revenue volumes in FY04 and FY05 were due to higher prices being received in Great Lakes states. The market, however, is adjusting, and we are selling less due to "no-bids." In 2005 there were 11 no-bids and this year there are 60 no bids so far. Number of average bidders went from five last year to three this year. The lumber yards are full due to paper companies being sold. Discussion ensued. This fund balance is being watched closely. Ms. Boyd noted that the minimum bid is continually being adjusted and fluctuates with the market.

Park Improvement Fund

Ron Olson, Chief, Parks and Recreation Division, submitted a memo titled, "Status of park Improvement and Waterways Funds as of Mid-August 2006." Camping revenues

going into the Park Improvement Fund are projected to meet or exceed year-end estimates due to additional fees that were implemented this year. Despite tourism being down throughout the state, revenues were up.

Motor Vehicle Permits (MVPs)

The other major revenue component to the Park Improvement Fund, is up 19.4 percent through mid-August and will meet year-end projects.

Waterways Fund

Revenues to this fund are expected to be approximately the same as last Fiscal Year.

Review of Select Restricted Funds

Game and Fish General Purpose: This fund balance is decreasing. The Hunting and Fishing License Program Development Work Group was created to develop recommendations to address this issue. The 2005 expenditures appear low due to the State employees' mandatory banked leave time.

Game and Fish Trust Fund: The fund balance remains relatively constant on this fund because only \$6 million per year plus interest and earnings can be spent.

Deer Range Improvement: \$1.50 from each hunting license sold goes to this fund. Consequently, since deer license sales are decreasing, the fund balance is decreasing.

Other funds reviewed were: Turkey Fund; Wildlife Resource Protection Fund; Waterfowl License and Fee Fund; Fisheries Settlement Fund; and the Youth Education and Outreach Fund.

Audit Updates

Tom Benson, Chief, Office of Internal Audit, reviewed

Fedewa: fared well even with wider auditing scope.

Commissioner Wheatlake commended the Internal Audit staff and staff in general, for these positive audit reports.

The meeting adjourned at 12:07 p.m.

NRC Policy on Wildlife and Fisheries

September 7, 2006

**aketown Golf and Conference Center
Saugatuck**

Meeting convened at 1:15 p.m. Committee Chairman Bob Garner and Commissioner Madigan were present for the Committee. Commissioners Charters, Earley and Wheatlake were also present.

Taking an Ecosystem Approach to Fisheries Management

Paul Seelbach, Fisheries Division, presented Fisheries Divisions emphasis on moving and working into an ecosystem approach as opposed to single species management. Paul outlined the Fisheries Division bottom line: shifting from being the doers to being information brokers and facilitators within regional-scale partnerships.

Saginaw Bay Walleye Management Update

Tammy Newcomb, Fisheries Division, presented information on the 2003 Saginaw Bay walleye recovery plan. Recovery strategies included dam removal, fish passage, stocking, reef restoration, and riparian/land use management. Recovery criteria included a self sustaining population with annual yield of one million pounds, and a population density growth rate 110 percent of state average. In the past, hatchery-to-wild fish ratios was consistently at or below 50:50. There has been a drastic shift to 75 percent wild and 25 percent stocked. Due to the high number of wild fish within the Bay, it was recommended to reallocate walleye production to other needs as long as DNR predicts current situation will continue. Discussions ensued with Citizen Advisory Groups and this year no walleye were stocked in Saginaw Bay; greater than 1.5 million walleye stocked in Lake Huron basin (37 lakes, 18 counties).

Tyler Creek Update

Jay Wesley, Fisheries Division, reported the findings to the Tyler Creek, Kent County, fish kill. Approximately four miles of the creek were affected and this contamination is considered a total fish kill in that area. High levels of E-coli were found in the water but DEQ and DNR were unable to pinpoint the source of contamination. A gentleman from DEQ also presented investigation information but again stated there has been no one person/company found responsible. Both departments will be working with local groups and the Coldwater River Watershed Council to enact enhanced watershed best management practices in an effort to insure that this type of incident does not happen again.

Wildlife Regulations

Michael Bailey, Wildlife Division, presented (for information) an additional hunting opportunity for disabled hunters. A two day hunt (October 21 - 22) would be allowed within the Fort Custer Military Training Center. Individuals could hunt from a standing vehicle. This would be a managed deer hunt, supported by the Department of Military

Affairs. However, this hunt would not occur this year due to a previous commitment at the Center.

Wildlife Updates

Midwest Furbearer Conference: September 10 - 13
Michigan Ornithological Congress: September 22 - 24
Woodcock Symposium: October 3 - 6

Hunting Season Updates

Early Elk - In the early season, hunters harvested 30 elk (22 cows and 8 bulls); second part of this season is mid-September; 54 hunters participated (55 possible) and three licenses transferred to youth.

Early Canada Goose - started September 1

Small Game season starts on September 15

The meeting adjourned at 2:45 p.m.